



U.S. Department of Justice

**Terrence Berg
United States Attorney
Eastern District of Michigan**

***Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277***

For Immediate Release:

Contact: Gina Balaya (313) 226-9758

Nov 21, 2008

EVENT: Sentenced

Defendant: Shannon Ferguson

**FORMER TITLE COMPANY EMPLOYEE SENTENCED TO
18 MONTHS AT HALFWAY HOUSE FOR ABETTING MORTGAGE FRAUD**

A resident of Canton Township was sentenced yesterday to 18 months at a halfway house and six months of home detention on a conviction for wire fraud based on a scheme to defraud mortgage lenders, announced Terrence Berg, Acting United States Attorney for the Eastern District of Michigan, and Andrew G. Arena, Special Agent in Charge of the Detroit Division of the Federal Bureau of Investigation.

Receiving the sentence from U.S. District Judge Denise Page Hood was Shannon Ferguson, 37. She was employed as a loan processor at Select Mortgage, a mortgage brokerage located in Brownstown Township that was operated by KALIL KHALIL and TARIQ HAMAD. Prior to that, Ferguson was a loan processor at three different title companies. When she pleaded guilty in June 2008, Ferguson admitted that in 2001 she, Khalil, and Hamad obtained a fraudulent loan secured by her residence in the amount of \$370,000. The loan application indicated that Ferguson was the borrower and that she was a physician. A bogus

title insurance policy was submitted to the lender. In addition, Ferguson admitted that in 2003 she and Hamad obtained a fraudulent loan secured by her residence in the amount of \$364,000. A bogus title insurance policy was submitted in this transaction as well. As to each of the two loans, Ferguson received only a small portion of the fraudulent loan proceeds.

Judge Hood also imposed a term of three years' supervised release and ordered Ferguson to pay restitution to the two lenders, First Banc Mortgage and CitiMortgage, in the amounts of \$370,000 and \$364,000.

HAMAD, 38, of Dearborn, pleaded guilty to one count of wire fraud before U.S. District Judge David A. Lawson in December 2006 in connection with a scheme to defraud mortgage lenders. He was sentenced in September 2007 by Judge Lawson to 110 months' imprisonment and ordered to pay restitution in the amount of \$11.4 million to the affected lenders.

KHALIL, 37, of Dearborn Heights, and a tax accountant, pleaded guilty to one count of wire fraud before Judge Lawson in May 2007 in connection with the same scheme to defraud mortgage lenders. He was sentenced in February 2008 by Judge Lawson to 60 months' imprisonment and ordered to pay restitution in the amount of \$11.1 million restitution to the mortgage lenders and a legitimate appraisal company whose name he used on bogus appraisals. Khalil also forfeited his interest in bank and securities accounts containing about \$300,000 that were seized by the government. Judge Lawson noted that he would have sentenced Khalil to a term of imprisonment similar to Hamad's had it not been for Khalil's cooperation with federal law enforcement in unrelated investigations.

The total loss resulting from the scheme to all mortgage lenders exceeded \$21 million. Acting United States Attorney Berg said, "We will continue to pursue mortgage fraud scammers who profit from deception and greed. This is an enforcement area that is getting more and more of our attention and our resources."

The investigation of this case was conducted by the FBI. The case was prosecuted by

Assistant U.S. Attorneys Stephen Hiyama and Julie Beck.